

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF WEST VIRGINIA**

In re Freedom Industries, Inc.

Debtor(s)

Case No.

Chapter 11

**Exhibit C to Voluntary Petition**

**1. Identify and briefly describe all real or personal property owned by or in possession of the debtor that, to the best of the debtor's knowledge, poses or is alleged to pose a threat of imminent and identifiable harm to the public health or safety (attach additional sheets if necessary):**

Freedom Industries, Inc. ("Freedom" or the "Debtor") is engaged principally in the business of producing specialty chemicals for the mining, steel and cement industries. It is a leading supplier of freeze conditioning agents, dust control palliatives, flotation reagents, water treatment polymers and other specialty chemicals.

Among Freedom's assets and operations is a production facility located in Charleston, West Virginia (the "Charleston Facility").

The Charleston Facility (a/k/a Etowah River Terminal) is located on the Elk River. The Charleston Facility is comprised of multiple large storage tanks and has significant storage capacity.

**2. With respect to each parcel of real property or item of personal property identified in question 1, describe the nature and location of the dangerous condition, whether environmental or otherwise, that poses or is alleged to pose a threat of imminent and identifiable harm to the public health or safety (attach additional sheets if necessary):**

On or about January 9, 2014, an incident occurred involving one of Freedom's storage tanks located at the Charleston Facility (the "Incident"). Facts surrounding the Incident are subject to pending investigation by Freedom and various regulatory and other governmental authorities.<sup>1</sup> It is presently hypothesized that a local water line break adjacent to the Charleston Facility may have contributed to the ground beneath a storage tank at the Charleston Facility to freeze in the extraordinary frigid temperatures in the days immediately preceding the Incident. The Debtor and investigative authorities have taken note of the hole in the affected storage tank that appears to have come from an object piercing upwards through the base of the affected storage tank. Investigations by multiple agencies are ongoing with full cooperation by the Debtor.

It has been reported that the Incident involved the apparent release from one of Freedom's storage tanks of a substance referred to as methylcyclohexane methanol, a/k/a MCHM, into the Elk River. MCHM is used by customers of Freedom to treat coal and reduce the amount of ash during the coal preparation process. The water company was notified.

On January 9, 2014, within hours following discovery of the Incident, West Virginia Governor Earl Ray Tomblin declared a state of emergency for nine (9) West Virginia counties stating that water supplied by the local water authority had been contaminated (the "Declaration"). In response to the Declaration, county residents and businesses were encouraged to refrain from using water supplied by the local water company. The Debtor understands that as a result of the Incident and the corresponding Declaration, various businesses were temporarily closed. The Debtor understands that water service is in the process of being restored.

<sup>1</sup> The facts and circumstances relating to the Incident as described herein are intended for explanatory purposes only and shall not prejudice the rights, claims or defenses of any party in interest, including, without limitation, the rights of any purported holder of a claim arising from or related to the Incident, and correspondingly, all rights, claims and defenses of the Debtor and other parties in interest are preserved.